

# **EXHIBIT 135**



Deposition of:  
**Robert Blair Thomas**

*December 16, 2020*

In the Matter of:  
**EIG v. Petrobras**

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1 IN THE UNITED STATES DISTRICT COURT

2 FOR THE DISTRICT OF COLUMBIA

3 ----- )

4 EIG ENERGY FUND XIV, L.P., )

5 et al., )Case No.

6 Plaintiffs, )1:16-cv-333-APM

7 vs. )

8 PETROLEO BRASILEIRO S.A., )

9 Defendant. )

10 ----- )

11  
12  
13 REMOTE DEPOSITION OF ROBERT BLAIR THOMAS

14 December 16, 2020

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21  
22 REPORTED BY: Tina Alfaro, RPR, CRR, RMR

1 A. Oh, that were with me? 11:26:17

2 Q. Yeah. 11:26:19

3 A. I don't recall that they did. I think -- 11:26:19

4 yeah, I don't recall if they did or didn't. 11:26:25

5 Q. Okay. Why didn't you ask Mr. Ferraz 11:26:27

6 whether there was any illegal conduct or corruption 11:26:29

7 associated with Sete Brasil? 11:26:32

8 A. For I guess a couple of reasons. One 11:26:40

9 is -- first is if there's somebody that I have 11:26:43

10 reason to believe engages in that activity, I'm not 11:26:49

11 in that meeting. So I would not have taken the 11:26:53

12 meeting if I had reason to believe that that was 11:26:56

13 the case. 11:26:59

14 Second, I never viewed Ferraz or Sete as 11:27:01

15 particularly relevant. In my eyes this transaction 11:27:07

16 was all about Petrobras, that Sete is just -- was 11:27:14

17 just an alter ego of Petrobras, that -- and that 11:27:18

18 every aspect of this transaction was controlled by 11:27:27

19 and dependent upon Petrobras. 11:27:32

20 To be honest, I thought that was very 11:27:35

21 attractive. I thought that's what made this 11:27:37

22 interesting was that this was Petrobras. Sete was 11:27:39

1 nothing, right. I mean, it didn't exist. No one 11:27:45  
2 would give capital to Sete. Sete was just a 11:27:48  
3 conduit. 11:27:52

4 The crux of the transaction was Petrobras 11:27:54  
5 and I had -- not only did I not think that they 11:27:58  
6 were engaged in fraudulent activity, I had every 11:28:02  
7 reason to believe that they were not. The fact 11:28:05  
8 that it's a national oil company publicly traded on 11:28:09  
9 the New York Stock Exchange, one of the largest 11:28:15  
10 companies in my industry and, to be honest with 11:28:18  
11 you, a company at the time generally held in high 11:28:21  
12 regard, Petrobras was very respected in the 11:28:25  
13 industry, particularly as it related to deep water 11:28:30  
14 activity. 11:28:34

15 And so I think it would be highly 11:28:37  
16 offensive for me to walk into a meeting with 11:28:39  
17 Petrobras, a senior leadership person at Petrobras, 11:28:42  
18 and ask them are you engaging in fraud. I don't 11:28:47  
19 think that's appropriate. 11:28:52

20 Q. Okay. Okay. 11:28:55

21 Are you familiar with someone named Pedro 11:29:04  
22 Barusco? 11:29:06

1 primary ones, as I said, it was the underlying 11:42:22  
2 importance of the asset and the quality of the 11:42:26  
3 asset that was being developed, it was the 11:42:28  
4 contractual framework and the credit quality of the 11:42:33  
5 counterparty, it was -- and then it was -- among 11:42:38  
6 other factors, it was the support of, you know, 11:42:43  
7 most, if not all, of the key institutions in the 11:42:49  
8 host country. 11:42:55

9 Q. Is there an EIG document that would 11:42:58  
10 indicate the factors EIG considered in making its 11:43:01  
11 investment in Sete? 11:43:04

12 A. Well, there's several things. Ultimately 11:43:11  
13 the analysis that gets -- you know, a typical 11:43:16  
14 investment for us takes between six and nine months 11:43:20  
15 from start to finish, and so these are long, 11:43:26  
16 painful processes with lots of steps and most 11:43:31  
17 investment opportunities don't make it through it. 11:43:36  
18 So most, you know, fail at some point in the 11:43:39  
19 process. So as it goes along we're continually 11:43:43  
20 assessing it. 11:43:49

21 Ultimately it gets turned into a single 11:43:50  
22 document which is what's known as an investment 11:43:52

1 recommendation, but an investment recommendation is 11:43:54  
2 really just a summary of what has typically been 11:43:58  
3 months of work getting to that point and numerous 11:44:05  
4 conversations along the way. It's not that it just 11:44:07  
5 gets sprung on us that, you know, here's a 11:44:10  
6 decision. 11:44:12

7 So -- and then ultimately the decision 11:44:19  
8 rests with the seniormost people in the firm who 11:44:20  
9 comprise the investment committee, who each of us 11:44:24  
10 have decades of experience. So we apply the 11:44:28  
11 judgment that each of us have individually having 11:44:31  
12 seen dozens if not hundreds of similar 11:44:34  
13 opportunities around the world. 11:44:37

14 Q. Does the investment recommendation 11:44:39  
15 summarize or reflect the factors EIG considered in 11:44:41  
16 making its investment in Sete? 11:44:45

17 A. Several of them, but it's not meant to be 11:44:50  
18 encyclopedic. So... 11:44:54

19 Q. Are there other documents that I could 11:44:57  
20 look at that would tell me what other factors EIG 11:44:59  
21 considered in making its investment in Sete? 11:45:02

22 A. I mean, the other documents would be the 11:45:12

1 form before it became final? 13:14:40

2 A. Unlikely. I don't recall. 13:14:44

3 Q. Okay. Who is the investment committee for 13:14:46

4 Energy Fund XIV? 13:14:50

5 A. Well, myself, I'm the chair of the 13:14:57

6 investment committee. It would have included Randy 13:15:01

7 Wade, Kurt Talbot, Jean-Daniel Borgeaud, and I 13:15:04

8 don't believe we had a fifth member. Normally we 13:15:21

9 had five, but I believe we had four. 13:15:23

10 Q. And are the people you just identified the 13:15:25

11 people that were the investment committee for 13:15:27

12 Fund XIV at the time the Sete Brasil transaction 13:15:32

13 was considered? 13:15:35

14 A. I believe so. 13:15:36

15 Q. Okay. What would you do with this 13:15:38

16 investment -- what did you do with this investment 13:15:42

17 recommendation when you received it? 13:15:44

18 A. We would schedule an investment committee 13:15:47

19 meeting, this would get distributed firm wide, so 13:15:51

20 all the investment professionals in the firm would 13:15:56

21 receive this document, and they'd have an 13:15:59

22 opportunity to ask questions of the deal team. 13:16:04

1           Then we would have a meeting. It would 13:16:10  
2           typically -- when something gets to the investment 13:16:14  
3           recommendation stage, again, we would have 13:16:16  
4           discussed this at committee probably five or six 13:16:19  
5           times already in various stages, but at this stage 13:16:21  
6           we would have a pretty fulsome conversation, 13:16:26  
7           typically they'd last, you know, one to two hours 13:16:31  
8           on a single investment, and the investment 13:16:34  
9           committee but also really any other investment 13:16:41  
10          professional in the firm who wanted to ask 13:16:43  
11          questions or state an opinion would have an 13:16:45  
12          opportunity to do so. 13:16:49

13           Q. Okay. My question was what -- what did 13:16:51  
14          you personally do when you -- with this document 13:16:54  
15          when you received it? 13:16:56

16           A. I read it. 13:16:57

17           Q. Okay. Did you ask any questions of 13:16:59  
18          anyone? 13:17:02

19           A. Well, yes. 13:17:02

20           Q. Who did you -- who did you ask questions 13:17:04  
21          of? 13:17:07

22           A. I asked the deal team numerous questions 13:17:08

1 in the context of the investment committee meeting 13:17:13

2 that I chaired. 13:17:16

3 Q. Okay. So at the investment committee 13:17:17

4 meeting you would have asked the deal team 13:17:20

5 questions? 13:17:22

6 A. Correct. 13:17:24

7 Q. Are there other documents the investment 13:17:24

8 committee would have reviewed in order to make its 13:17:27

9 decision about this investment, the Sete Brasil 13:17:31

10 investment, besides Exhibit 8? 13:17:35

11 A. Yes. So, again, this is the culmination 13:17:38

12 of a nine-month process where there had been 13:17:43

13 numerous discussions and update memos along the 13:17:46

14 way. So everybody on the committee was well versed 13:17:49

15 in the opportunity, and so we would have been kept 13:17:53

16 up along the way. 13:17:58

17 Now, typically -- and I don't recall on 13:18:00

18 this investment -- there would be third-party 13:18:02

19 advisor reports and things like that. I would 13:18:04

20 not -- I would not typically read those or look at 13:18:07

21 those. To the extent that there was anything 13:18:11

22 relevant in those, I would expect the deal team to 13:18:15

1 summarize- -- excuse me -- summarize that in the 13:18:17  
2 investment recommendation. 13:18:19

3 Q. What are third-party advisor reports that 13:18:21  
4 you just referred to? 13:18:24

5 A. We will often engage -- well, we always 13:18:25  
6 engage third parties on every investment that we 13:18:29  
7 make. 13:18:34

8 Q. So what third party did you engage with 13:18:34  
9 respect to this investment, Sete Brasil? 13:18:36

10 A. Well, I know we had U.S. legal counsel, I 13:18:41  
11 know we had Brazil legal counsel. I think -- I 13:18:45  
12 believe we had market reports on the presalt. They 13:18:55  
13 might have been -- I don't know if those were Wood 13:19:00  
14 McKenzie reports or whether -- Wood McKenzie is a 13:19:04  
15 widely used source in our industry for subsurface 13:19:10  
16 analysis, but technical reports, independent 13:19:14  
17 engineers, market consultants, those -- those types 13:19:20  
18 of folks. 13:19:24

19 Q. So -- but I'm -- I'm interested in what 13:19:25  
20 third parties you used for this specific investment 13:19:28  
21 evaluation. Other than Brazilian counsel and U.S. 13:19:32  
22 counsel, can you identify any specific third 13:19:37

1 starts with "Base Case Assumptions" at the top. 13:33:45

2 A. I have it. 13:33:58

3 Q. Okay. Is this a page you would have 13:33:58

4 looked at as part of deciding whether to vote in 13:34:03

5 favor of the investment in Sete Brasil? 13:34:05

6 A. Yes, it is. 13:34:10

7 Q. Okay. The third line says "BRL to USD 13:34:12

8 exchange rate"; do you see that? 13:34:17

9 A. I do. 13:34:21

10 Q. Do you have an understanding of how that 13:34:22

11 is relevant to the base case model? 13:34:24

12 A. I do. 13:34:29

13 Q. What is your understanding? 13:34:31

14 A. As I said earlier, a portion of the 13:34:35

15 expenses of the company were denominated in -- in 13:34:37

16 local currency, and so accounting for inflation or 13:34:41

17 deflation as it relates to those obligations 13:34:50

18 would -- you'd want to account for those in the 13:34:56

19 financial analysis. 13:34:59

20 Q. And do you have an understanding of how it 13:35:00

21 would impact EIG's investment if this assumption 13:35:03

22 was incorrect? 13:35:06

1	A. I do. I do.	13:35:09
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2	Q. What's your understanding?	13:35:11
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3	A. Well, this really gets back to, again, the	13:35:12
4	whole structure of the transaction. What we liked	13:35:17
5	about this transaction is that the impact, while	13:35:21
6	not immune to currency fluctuation, the impact here	13:35:26
7	was muted because of the contractual structure, and	13:35:32
8	so the contractual framework had several	13:35:36
9	protections built in to account for FX risk. And	13:35:41
10	so -- and so while this is relevant in this and any	13:35:48
11	other investment we make outside the United States,	13:35:54
12	I didn't view this as, you know, one of the most	13:35:59
13	significant risks in this transaction because of	13:36:04
14	the contractual framework.	13:36:06

15	Q. The capital calls that Sete Brasil made	13:36:07
16	were in -- in Brazilian currency, Reais, correct?	13:36:10

17	A. I believe so.	13:36:16
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18	Q. Okay. So if the -- if the Reais was	13:36:17
19	devalued relative to the dollar, the number of	13:36:22
20	dollars that EIG would need to meet that capital	13:36:26
21	call would be lower than if the currency ratio had	13:36:29
22	remained stable; is that right?	13:36:35

1 I was not -- I was not party to that inquiry, but I 17:06:37  
2 knew that they had asked about it. 17:06:40

3 Q. Okay. Were you involved in formulating 17:06:42  
4 the response to New Holland? 17:06:43

5 A. I was not. 17:06:46

6 Q. Okay. As of November 18, 2014 had EIG 17:06:47  
7 done any analysis to determine the impact of the 17:06:52  
8 bribery scandal at Petrobras on its ongoing -- on 17:06:57  
9 its investments in portfolio companies? 17:07:01

10 A. My recollection is, I mean, that's right 17:07:16  
11 around the time when the Barusco testimony became 17:07:19  
12 public, and I don't think any of us really knew 17:07:23  
13 exactly how far it went or what it meant. We knew 17:07:26  
14 we had three significant investments in Brazil and 17:07:31  
15 all three of those investments involved Petrobras, 17:07:37  
16 and so we were trying to assess what the situation 17:07:42  
17 was. 17:07:45

18 Q. What were -- what was EIG doing to assess 17:07:47  
19 what the situation was as of November of 2014? 17:07:50

20 A. I believe -- well, we were certainly 17:07:56  
21 following press reports, and I believe we were 17:07:58  
22 engaged in -- we had reached out to discuss with 17:08:08

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1 | our local counsel. 17:08:11

2	Q. Who was your local counsel?	17:08:13
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3 A. I believe it was -- I'm not certain. I 17:08:17

4 | believe it was Machado Meyer. 17:08:20

5 Q. And who would have been the one that 17:08:21

6 | reached out to discuss this topic? 17:08:23

7 A. It would have been either Magela or Ronnie 17:08:28

8 or possibly somebody in the legal department at 17:08:33

9	EIG.	17:08:36
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10 Q. But you -- you didn't have any -- you 17:08:38

11 didn't do anything to consult with legal counsel in 17:08:40

12	Brazil with respect to the impact on EIG's	17:08:43
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13 investments of the disclosure of Lava Jato; is that 17:08:47

14	right?	17:08:52
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15	A. No, I would not do that.	17:08:52
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16	Q. Okay. And to your knowledge, was there	17:08:54
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17	any internal analysis done of the potential impact	17:08:58
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18	of Lava Jato on the Sete Brasil investment in	17:09:00
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19	November of 2018 -- 2014? Sorry.	17:09:03
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20	A. I don't think that happened until a month	17:09:08
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21 or two later. I think at that point in time we 17:09:13

22 | were monitoring the press reports and it was not 17:09:17

1 clear to us what the full scope of the scandal was. 17:09:22

2 Q. Did you do anything to seek to have Sete 17:09:27

3 Brasil undertake its own investigation of whether 17:09:30

4 it was implicated by the Operation Lava Jato 17:09:32

5 scandal? 17:09:37

6 A. We did, but I don't think that was until 17:09:37

7 early 2015. 17:09:40

8 Q. And who -- who made that request of Sete 17:09:43

9 Brasil from EIG? 17:09:47

10 A. Well, I made the request to our general 17:09:51

11 counsel and I asked him to speak -- 17:09:54

12 MR. GOLDMAN: Hold on. Before you 17:09:58

13 disclose, I would be very -- I do not want you to 17:09:59

14 disclose what you discussed with your general 17:10:05

15 counsel because it's attorney-client privileged 17:10:07

16 information. So if you can testify without 17:10:10

17 disclosing what you said to I take it it was 17:10:13

18 Mr. Vitale, please do so. 17:10:14

19 A. Yes. I requested that Mr. Vitale speak to 17:10:18

20 the general counsel of Sete to inquire about what 17:10:25

21 avenues they were taking to address the situation. 17:10:32

22 Q. Do you know when that -- do you know 17:10:34